

JONES DAY
Corinne Ball
Todd Geremia
Benjamin Rosenblum
Benjamin Thomson
250 Vesey Street
New York, New York 10281
Telephone: (212) 326-3939
Facsimile: (212) 755-7306

*Counsel for the Debtor
and Debtor in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:	:	Chapter 11
	:	
THE ROMAN CATHOLIC DIOCESE OF	:	Case No. 20-12345 (SCC)
ROCKVILLE CENTRE, NEW YORK, ¹	:	
	:	
Debtor.	:	

**NOTICE OF HEARING ON THE DEBTOR'S MOTION TO SUPPLEMENT FINAL
ORDER (I) AUTHORIZING THE CONTINUED USE OF THE DEBTOR'S CASH
MANAGEMENT SYSTEM, BANK ACCOUNTS AND BUSINESS FORMS AND (II)
GRANTING RELATED RELIEF**

PLEASE TAKE NOTICE that on June 22, 2021, the above-captioned debtor and debtor-in possession (the "Debtor") filed the *Debtor's Motion to Supplement Final Order (I) Authorizing the Continued Use of the Debtor's Cash Management System, Bank Accounts and Business Forms and (II) Granting Related Relief* (the "Supplemental Motion") with the United States Bankruptcy Court for the Southern District of New York (the "Court").

PLEASE TAKE FURTHER NOTICE that any objections to the Supplemental Motion must be in writing, conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of New York, be filed by **June 29, 2021 at 4:00 p.m. (Prevailing Eastern Time)**, and shall be served on (a) the Debtor, c/o The Roman Catholic Diocese of Rockville Centre, New York, 50 North Park Avenue P.O. Box 9023, Rockville Centre, NY 11571-9023; (b) counsel to the Debtor, Jones Day, 250 Vesey Street, New York, New York 10281-1047 Attn: Corinne Ball,

¹ The Debtor in this chapter 11 case is The Roman Catholic Diocese of Rockville Centre, New York, the last four digits of its federal tax identification number are 7437, and its mailing address is 50 North Park Avenue P.O. Box 9023, Rockville Centre, NY 11571-9023.

Esq., Todd Geremia, Esq., Benjamin Rosenblum, Esq., Andrew Butler, Esq., Benjamin Thomson, Esq.; and (c) William K. Harrington, U.S. Department of Justice, Office of the U.S. Trustee, 201 Varick Street, Room 1006, New York, NY 10014, Attn: Greg M. Zipes, Esq. and Shara Cornell, Esq.

PLEASE TAKE FURTHER NOTICE THAT a hearing to consider such Supplemental Motion and any objections related thereto (the “Hearing”) will be held on **July 7, 2021 at 10:00 a.m. (Prevailing Eastern Time)** before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, NY 10004.

PLEASE TAKE FURTHER NOTICE that in accordance with General Order M-543, dated March 20, 2020 (“General Order M-543”),² the Hearing will be conducted telephonically. Any parties wishing to participate must do so telephonically by making arrangements through CourtSolutions LLC (www.court-solutions.com). Instructions to register for CourtSolutions LLC are attached to General Order M-543.

PLEASE TAKE FURTHER NOTICE THAT if no objections are timely filed and served with respect to the Supplemental Motion, the Debtor may, on or after the Objection Deadline, submit to the Court an order substantially in the form of the proposed supplemental order annexed to the Supplemental Motion, which order may be entered without further notice or opportunity to be heard.

PLEASE TAKE FURTHER NOTICE that copies of each pleading can be viewed and/or obtained by: (i) accessing the Court’s website at www.nysb.uscourts.gov, or (ii) from the Debtor’s notice and claims agent, Epiq Corporate Restructuring, LLC, at <https://dm.epiq11.com/drvc> or by calling (888) 490-0633. Note that a PACER password is needed to access documents on the Court’s website.

[Remainder of Page Intentionally Blank]

² A copy of the General Order M-543 may be obtained by visiting www.nysb.uscourts.gov/news/general-order-m-543-court-operations-under-exigent-circumstances-created-covid-19.

Dated: June 22, 2021
New York, New York

Respectfully submitted,

/s/ Corinne Ball

Corinne Ball

Todd Geremia

Benjamin Rosenblum

Benjamin Thomson

JONES DAY

250 Vesey Street

New York, NY 10281-1047

Telephone: (212) 326-3939

Facsimile: (212) 755-7306

Email: cball@jonesday.com

trgeremia@jonesday.com

broosenblum@jonesday.com

bthomson@jonesday.com

*Counsel for the Debtor
and Debtor-in-Possession*

JONES DAY
Corinne Ball
Todd Geremia
Benjamin Rosenblum
Benjamin Thomson
250 Vesey Street
New York, New York 10281
Telephone: (212) 326-3939
Facsimile: (212) 755-7306

*Counsel for the Debtor
and Debtor in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:	:	Chapter 11
	:	
THE ROMAN CATHOLIC DIOCESE OF	:	Case No. 20-12345 (SCC)
ROCKVILLE CENTRE, NEW YORK, ¹	:	
	:	
Debtor.	:	

**DEBTOR'S MOTION TO SUPPLEMENT FINAL ORDER (I) AUTHORIZING THE
CONTINUED USE OF THE DEBTOR'S CASH MANAGEMENT SYSTEM, BANK
ACCOUNTS AND BUSINESS FORMS AND (II) GRANTING RELATED RELIEF**

The Roman Catholic Diocese of Rockville Centre, New York, as debtor and debtor-in-possession (the "Debtor"), respectfully represents as follows in support of this *Motion to Supplement Final Order (I) Authorizing the Continued Use of the Debtor's Cash Management System, Bank Accounts and Business Forms and (II) Granting Related Relief* (the "Supplemental Motion"):

¹ The Debtor in this chapter 11 case is The Roman Catholic Diocese of Rockville Centre, New York, the last four digits of its federal tax identification number are 7437, and its mailing address is 50 North Park Avenue P.O. Box 9023, Rockville Centre, NY 11571-9023.

RELIEF REQUESTED

1. Pursuant to sections 105, 345, 363, 364 and 503(b)(1) of title 11 of the United States Code (the “Bankruptcy Code”), the Debtor moves for the entry of an order (the “Supplemental Order”) in substantially the form attached hereto as Exhibit A, supplementing the *Final Order (I) Authorizing the Continued Use of the Debtor’s Cash Management System, Bank Accounts and Business Forms and (II) Granting Related Relief* [Docket No. 253] (the “Final Order”) to amend the definition of term “FHO Accounts” for purposes of the Final Order to include certain additional bank accounts, each described below, that hold funds designated by donors to be distributed to other entities.
2. By this Supplemental Motion, the Debtor is not seeking a determination from the Court as to whether any property is restricted, held in trust or otherwise unavailable for distribution to creditors.

JURISDICTION AND VENUE

3. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue for this matter is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND AND BASIS FOR RELIEF

4. On October 1, 2020, the Debtor filed the *Debtor’s Motion for Interim and Final Orders (I) Authorizing the Continued Use of the Debtor’s Cash Management System, Bank Accounts and Business Forms and (II) Granting Related Relief* [Docket No. 7] (the “Initial Motion”).² The Final Order granting the Initial Motion was entered on December 10, 2020.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Initial Motion.

More detailed background information regarding the Debtor's Cash Management System is provided in the Initial Motion and is incorporated herein by reference.

5. Pursuant to the Final Order, "the Debtor is authorized . . . to receive and disburse funds held for others and donor-restricted funds into and out of the FHO Accounts."³ The defined term FHO Accounts refers to a subset of the Bank Accounts, listed in the Initial Motion, that the Debtor maintains for the funds it holds on behalf of others or that are otherwise subject to donor restrictions. The Debtor maintains certain other Bank Accounts, described below, for the same purposes that were not listed as FHO Accounts in the Initial Motion.

6. The Debtor maintains a brokerage account (the "Stock Donation Account") with Charles Schwab & Co., Inc.⁴ This account is used to receive donations in the form of securities on behalf of other entities that work with the Debtor to advance its mission and do not have their own brokerage accounts. Upon receiving a donation, the Debtor's ordinary course, prepetition practice was to sell the securities and remit the proceeds to the donor-designated beneficiary.

7. The Debtor maintains two accounts (the "Mission Office Accounts") with JPMorgan Chase for its Mission Office, which provides support for Catholic missionaries.⁵ The Mission Office Accounts hold the proceeds of special collections, typically taken up at parishes, to support a particular mission, often that of a missionary invited to speak to the parish. The Debtor's ordinary course, prepetition practice was to receive the funds from donors or parishes on behalf of the identified mission, and then remit those funds to that mission.

³ See Final Order ¶ 2.

⁴ The Stock Donation Account has an account number ending in 1911. It is reported on the Debtor's *Monthly Operating Report for the Period April 1, 2021 through April 30, 2021* [Docket No. 526] p. 4.

⁵ The Mission Office Accounts have account numbers ending in 0767 and 0902. They are reported on the Debtor's *Monthly Operating Report for the Period April 1, 2021 through April 30, 2021* [Docket No. 526] p. 4.

8. For the reasons set forth in the Initial Motion, which are incorporated herein by reference, the Debtor submits that the relief requested herein is in the best interests of the Debtor, its estate and its creditors, and is necessary to a successful reorganization.

RESERVATION OF RIGHTS

9. Nothing contained herein is intended to be or should be construed as: (a) an admission as to the validity of any claim against the Debtor; (b) a waiver of the Debtor's rights to dispute any claim on any grounds; (c) a promise to pay any claim; or (d) the assumption of any executory contract or unexpired lease.

NOTICE

10. Notice of this Supplemental Motion will be provided to: (a) the Office of the United States Trustee for the Southern District of New York; (b) the Committee; and (c) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Debtor submits that, in light of the nature of the relief requested, no other or further notice need be given.

NO PRIOR REQUEST

11. No prior request for the relief sought herein has been made to this Court or any other court.

[Remainder of Page Intentionally Blank]

WHEREFORE, the Debtor respectfully requests that the Court enter the Supplemental Order and grant such other and further relief as may be appropriate.

Dated: June 22, 2021
(New York, New York)

Respectfully submitted,

/s/ Corinne Ball
Corinne Ball
Todd Geremia
Benjamin Rosenblum
Benjamin Thomson
JONES DAY
250 Vesey Street
New York, NY 10281-1047
Telephone: (212) 326-3939
Facsimile: (212) 755-7306
Email: cball@jonesday.com
trgeremia@jonesday.com
brosenblum@jonesday.com
bthomson@jonesday.com

*Counsel for the Debtor
and Debtor-in-Possession*

EXHIBIT A

PROPOSED SUPPLEMENTAL ORDER

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

:
:
Chapter 11

THE ROMAN CATHOLIC DIOCESE OF
ROCKVILLE CENTRE, NEW YORK,¹

:
:
Case No. 20-12345 (SCC)

:
:
Debtor.

**SUPPLEMENTAL ORDER (I) AUTHORIZING THE CONTINUED USE OF THE
DEBTOR'S CASH MANAGEMENT SYSTEM, BANK ACCOUNTS AND BUSINESS
FORMS AND (II) GRANTING RELATED RELIEF**

This Court has considered the Initial Motion, the Supplemental Motion,² the First Day Declaration, the statements of counsel and the evidence adduced with respect to the Initial Motion at a hearing on October 1, 2020, and the statements of counsel and the evidence adduced with respect to the Supplemental Motion at a hearing, if any, before this Court (the "Hearing"). This Court has found that (i) this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b), (iii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409, and (iv) notice of the Motion and the Hearing was sufficient under the circumstances. After due deliberation, this Court has determined that the relief requested in the Supplemental Motion is in the best interests of the Debtor, its estate and its creditors; and good and sufficient cause having been shown;

ACCORDINGLY, IT IS HEREBY ORDERED THAT:

1. The Supplemental Motion is GRANTED as set forth herein.

¹ The Debtor in this chapter 11 case is The Roman Catholic Diocese of Rockville Centre, New York, the last four digits of its federal tax identification number are 7437, and its mailing address is 50 North Park Avenue P.O. Box 9023, Rockville Centre, NY 11571-9023.

² Capitalized terms not otherwise defined herein shall have the meanings given to them in the Initial Motion and Supplemental Motion, as appropriate.

2. The definition of the term FHO Accounts as such term is used in the Final Order is hereby amended to include the Stock Donation Account and the Mission Office Accounts for purposes of the Debtor's authority described in the Final Order to receive and disburse funds held for others and donor-restricted funds into and out of its Bank Accounts.

3. The Committee reserves all rights to: (a) seek recharacterization of and/or challenge any amounts treated as restricted by the Debtor and any transfers or payments by the Debtor; (b) dispute or otherwise contest whether amounts were properly allocated to a particular Bank Account; (c) analyze and seek appropriate modifications to the Cash Management System; or (d) challenge whether any prepetition or postpetition transfers or payments made in connection with the Cash Management System are authorized by the Final Order. The Debtor reserves all rights to contest any such objection, recharacterization, challenge and/or proposed modification.

4. Notice of the Supplemental Motion as provided therein shall be deemed good and sufficient notice of such Supplemental Motion.

5. The requirements set forth in Local Rule 9013-1(a) are satisfied.

6. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the interpretation, implementation and/or enforcement of this Supplemental Order.

Dated: _____, 2021
New York, New York

UNITED STATES BANKRUPTCY JUDGE